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ARTICLE APPEARED ON PAGE 5A Reagan to name controversial official for

Venezuela post



By ALFONSO CHARDY Herald Washington Bureau

WASHINGTON - President Reagan said Wednesday he would nominate Otto J. Reich, the State Department's coordinator of public diplomacy for Latin America and the Caribbean, as U.S. ambassador

The announcement came after months of speculation amid reports that Venezuela had rejected the appointment.

At the center of Venezuelan concerns is Reich's leadership of a controversial government program

designed to undermine support for the Nicaraguan government. Venezuela is one of four countries involved in the Contadora peace process aimed at easing tensions between the United States and Nicaragua.

At a recent farewell party for Reich, friends and co-workers gave him a T-shirt that proclaimed him "Propaganda Minister." While meant as a joke, it aptly characterized the task that the Cuban-born Reich, 40, has been performing over the last 21/2

Reich, whose nomination must still be approved by the U.S. Senate, says his job has been fourfold: to educate the American public about a policy they often find bewildering; to emphasize the best of that policy; and to muster support for it and counter public relations efforts by the Sandinistas, the Salvadoran rebels and American liberals.

To carry out the job, Reich's 20-member staff often selectively declassifies — some say leaks intelligence information about the Sandinistas or the Salvadoran rebels that tends to support U.S. claims that they pose a threat to U.S. security.

In a recent interview, Reich said his program was a success. He said recent public opinion polls showed increased support among Americans for Reagan's

Besides disseminating information in the United States, Reich frequently has traveled to Western Europe to brief government officials and reporters.

Around the Americas

Reich says the efforts have improved the perception there of the administration's Central America policy.

While Reich's efforts have helped administration policies, they have also drawn fire from White House critics, some of whom reportedly urged the Venezuelan government earlier this year to reject

In May, the first reports surfaced in Washington that the White House was eyeing Reich for the ambassadorship in Caracas to replace George Landau, who retired from the Foreign Service July 1.

U.S. liberals immediately announced their intention to derail the Reich nomination, saying the appointment signaled that Washington would pressure Venezuela to cooperate more actively with U.S.

policy against Nicaragua.
In August, a leading Caracas newspaper, El Universal, quoted unidentified Foreign Ministry sources as saying the Venezuelan government of President Jaime Lusinchi had notified the State Department of its "disagreement" with Reagan's

U.S. officials deny that Caracas opposed Reich's nomination, but they acknowledged that Venezuelan officials did make "inquiries" about Reich.

"After close consultations with the Venezuelan government, all their concerns were cleared up and they will receive [Reich] as ambassador," one U.S. official said.

"It's a tremendous honor to represent the United States anywhere, but especially in one of the leading democracies in the hemisphere," Reich said of the nomination. "I'm looking forward to going to Venezuela. It's a country that shows that there is hope for democracy and self-determination in the developing world.'

For Reich, who arrived as a refugee from Cuba 25 years ago with \$5 in his pocket, the ambassadorship is a high point of his public service career.

From 1975 to 1976, he served as Miami's community development coordinator. Then he moved to Washington to head an office for the Council of the Americas, a group representing multinational corporations with business interests in the hemisphere.

He backed Reagan's campaign in 1980. And, in 1981, Reich was named deputy director for Latin America at the State Department's Agency for International Development. In 1982 he was given ambassadorial rank to become coordinator of the public diplomacy bureau.